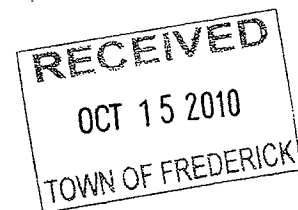




October 14, 2010

Town of Frederick  
Attn: Jennifer Simons  
P O Box 435  
Frederick, CO 80530



Re: Twinning Waiver Letter – East Rinn Wells  
T2N-R68W Sec. 15: NESW  
Weld County, CO

Dear Jennifer:

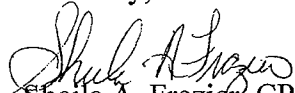
Pursuant to our conversation of this morning, I am enclosing Twinning Waiver Letters for the purpose of permitting the wells to be drilled in the East Rinn subdivision. The Twinning Waiver letter concerns the distance between the existing well and the wells to be drilled. In accordance with Rule 318A.c(1) wells drilled more than 50' from the existing well require a waiver letter from the surface owner.

I have attached a copy of the Out of Window Waiver letter which Frederick has approved, along with the surveys of the six wells. There has been no change in location since our first communications. Please have the copy signed and returned to my attention as soon as possible.

The surface use agreement is pending, waiting on the site survey which will reflect the exact placement of access, flowlines, existing pipelines, and the oil and gas operations area. Once we have the survey in hand, we can prepare the exhibits to the surface use agreement and will provide you a final draft for review.

We appreciate your prompt response to this request as we will need to push the permitting process through the Commission in order to achieve our January operations.

Sincerely,

  
Sheila A. Frazier, CPL  
Land Negotiator

**Encana Oil & Gas (USA) Inc.**  
370 17th Street, Suite 1700  
Denver, Colorado USA 80202  
t 303.623.2300  
[www.encana.com](http://www.encana.com)

**encana**<sup>TM</sup>

*natural gas*

October 14, 2010

Town of Frederick  
Attn: Jennifer Simons  
P O Box 435  
Frederick, CO 80530

RE: **Waiver of Rule 318A.c(1)**

<u>WELL NAME:</u>	<u>SURFACE LOCATION</u>	<u>BOTTOM HOLE LOCATION</u>
EAST RINN 24-15	2342' FSL & 2430' FWL	510' FSL & 2130' FWL
EAST RINN 2-8-15	2352' FSL & 2429' FWL	50' FSL & 1270' FWL
EAST RINN 3-6-15	2362' FSL & 2428' FWL	1250' FSL & 1750' FWL
EAST RINN 13-15	2372' FSL & 2427' FWL	1980' FSL & 660' FWL
EAST RINN 2-4-15	2392' FSL & 2424' FWL	2640' FSL & 1400' FWL
EAST RINN 0-4-15	2382' FSL & 2425' FWL	2607' FSL & 50' FWL

Location: NE/4SW/4 Section 15, T2N, R68W  
Weld County, Colorado

Ladies and Gentlemen:

Encana Oil & Gas (USA) Inc. ("Encana") has staked six (6) wells from the existing East Rinn 23-15 well site located in the NE/4SW/4 of Section 15, Township 2 North, Range 68 West (see attached survey plats). These wells are being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rule 318A, known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule. Rule 318A.c states:

"When the operator is requesting a surface well location greater than fifty (50) feet from a well (unless safety or mechanical considerations of the well to be twinned or topographical or surface constraints justify a location greater than fifty (50) feet), the operator shall provide a consent to the exception signed by the surface owner on which the well is proposed to be located in order for the Director to approve the well location administratively."

The six (6) East Rinn wells were staked at a distance ranging from 98' to 148' of the existing East Rinn 23-15 well. As this location was staked with your consent and approval, Encana respectfully requests your consent to an exception location for the captioned wells by waiver of the COGCC Rule 318A.c.(1).


If this meets with your approval, please sign and date both originals of this letter, keeping one for your files and returning one to the undersigned.

**Encana Oil & Gas (USA) Inc.**  
370 17th Street, Suite 1700  
Denver, Colorado USA 80202  
t 303.623.2300  
www.encana.com

Thank you for your time and consideration in this matter. If you have any questions or comments, please call me at (720) 876-3440.

Very truly yours,

ENCANA OIL & GAS (USA) INC.

  
Sheila A. Frazier, CPL  
Land Negotiator

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A.c(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE FOLLOWING SIX (6) EAST RINN WELLS REFERRED TO AS:

<u>WELL NAME:</u>	<u>SURFACE LOCATION</u>	<u>BOTTOM HOLE LOCATION</u>
EAST RINN 24-15	2342' FSL & 2430' FWL	510' FSL & 2130' FWL
EAST RINN 2-8-15	2352' FSL & 2429' FWL	50' FSL & 1270' FWL
EAST RINN 3-6-15	2362' FSL & 2428' FWL	1250' FSL & 1750' FWL
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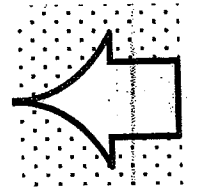
AND APPROVES THE SURFACE LOCATIONS AS STATED ABOVE, LOCATED IN THE NE/4SW/4 OF SECTION 15, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

**TOWN OF FREDERICK**

by \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_



encana..